

STATEMENT OF OPERATIONS
(General Business Case)

For the Month Ended 09/30/22

Current Month				Cumulative (Case to Date)	Next Month Forecast
Actual	Forecast	Variance			
\$141,195	\$140,000	\$1,195	Revenues:		
		\$0	1 Gross Sales	\$7,218,964	\$140,000
\$141,195	\$140,000	\$1,195	2 less: Sales Returns & Allowances	\$0	
\$65,181	\$95,000	\$29,819	3 Net Sales	\$7,218,964	\$140,000
\$76,014	\$45,000	\$31,014	4 less: Cost of Goods Sold (Schedule 'B')	\$4,294,134	\$95,000
\$0	\$0	\$0	5 Gross Profit	\$2,924,830	\$45,000
		\$0	6 Interest	\$80	\$0
		\$0	7 Other Income: _____		
		\$0	8 _____		
		\$0	9 _____		
\$76,014	\$45,000	\$31,014	10 Total Revenues	\$2,924,910	\$45,000
			Expenses:		
\$35,596	\$37,500	\$1,904	11 Compensation to Owner(s)/Officer(s)	\$1,620,322	\$37,500
\$4,013	\$3,167	(\$846)	12 Salaries	\$240,186	\$3,167
\$0		\$0	13 Commissions	\$0	
\$0		\$0	14 Contract Labor	\$0	
			Rent/Lease:		
\$0	\$0	\$0	15 Personal Property	\$115,807	\$0
		\$0	16 Real Property	\$0	
		\$0	17 Insurance	\$0	
		\$0	18 Management Fees	\$0	
		\$0	19 Depreciation	\$0	
		\$0	Taxes:		
		\$0	20 Employer Payroll Taxes	\$0	
		\$0	21 Real Property Taxes	\$0	
		\$0	22 Other Taxes	\$0	
\$10,255	\$7,800	(\$2,455)	23 Other Selling	\$633,266	\$7,800
\$0	\$2,000	\$2,000	24 Other Administrative	\$94,998	\$2,000
		\$0	25 Interest	\$0	
\$0	\$0	\$0	26 Other Expenses: Professional fees	\$85,639	\$0
\$0		\$0	27 _____	\$0	
\$0	\$0	\$0	28 _____	\$0	\$0
\$0	\$10,000	\$10,000	29 Bankruptcy legal fees and other legal fees	\$829,237	\$10,000
\$0		\$0	30 _____	(\$194)	
		\$0	31 _____	\$0	
		\$0	32 _____	\$0	
		\$0	33 _____		
		\$0	34 _____		
\$49,864	\$60,467	\$10,603	35 Total Expenses	\$3,619,261	\$60,467
\$26,150	(\$15,467)	\$41,617	36 Subtotal	(\$694,351)	(\$15,467)
			Reorganization Items:		
\$0	\$0	\$0	37 Professional Fees	\$0	\$0
	\$0	\$0	38 Provisions for Rejected Executory Contracts	\$0	\$0
	\$0	\$0	39 Interest Earned on Accumulated Cash from	\$0	\$0
	0	\$0	Resulting Chp 11 Case	\$0	\$0
\$0	\$3,500	\$3,500	40 Gain or (Loss) from Sale of Equipment	\$0	\$0
	\$0	\$0	41 U.S. Trustee Quarterly Fees	\$44,120	\$3,500
		\$0	42 _____	\$0	\$0
\$0	\$0	\$0	43 Total Reorganization Items	\$44,120	\$0
\$26,150	(\$15,467)	\$41,617	44 Net Profit (Loss) Before Federal & State Taxes	(\$738,471)	(\$15,467)
		\$0	45 Federal & State Income Taxes		
\$26,150	(\$15,467)	\$41,617	46 Net Profit (Loss)	(\$738,471)	(\$15,467)

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

\$26,150

BALANCE SHEET
(General Business Case)
For the Month Ended 09/30/22

Assets

From Schedules

Market Value

Current Assets

1	Cash and cash equivalents - unrestricted		\$198,828
2	Cash and cash equivalents - restricted		\$0
3	Accounts receivable (net)	A	\$221,040
4	Inventory	B	\$0
5	Prepaid expenses		
6	Professional retainers		
7	Other: _____		
8	_____		
9	Total Current Assets		\$419,868

Property and Equipment (Market Value)

10	Real property	C	\$0
11	Machinery and equipment	D	\$0
12	Furniture and fixtures	D	\$0
13	Office equipment	D	\$0
14	Leasehold improvements	D	\$0
15	Vehicles	D	\$0
16	Other: _____	D	
17	_____	D	
18	_____	D	
19	_____	D	
20	_____	D	
21	Total Property and Equipment		\$0

Other Assets

22	Loans to shareholders		
23	Loans to affiliates		
24	_____		
25	_____		
26	_____		
27	_____		
28	Total Other Assets		\$0
29	Total Assets	\$419,868	\$419,868

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

30	Salaries and wages		\$0
31	Payroll taxes		\$0
32	Real and personal property taxes		\$0
33	Income taxes		\$0
34	Sales taxes		\$0
35	Notes payable (short term)		\$0
36	Accounts payable (trade)	A	\$1,001,350
37	Real property lease arrearage		\$0
38	Personal property lease arrearage		\$0
39	Accrued professional fees		\$0
40	Current portion of long-term post-petition debt (due within 12 months)		\$0
41	Other:		
42			
43			
44	Total Current Liabilities		\$1,001,350

Long-Term Post-Petition Debt, Net of Current Portion

45			
46	Total Post-Petition Liabilities		\$1,001,350

Pre-Petition Liabilities (allowed amount)

47	Secured claims	F	\$0
48	Priority unsecured claims	F	\$0
49	General unsecured claims	F	\$0
50	Total Pre-Petition Liabilities		\$0
51	Total Liabilities		\$1,001,350

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing		(\$6,653,850)
53	Capital Stock		\$200
54	Additional paid-in capital		\$6,810,639
55	Cumulative profit/(loss) since filing of case		(\$738,471)
56	Post-petition contributions/(distributions) or (draws)		\$0
57			
58	Market value adjustment		
59	Total Equity (Deficit)		(\$581,482)
60	Total Liabilities and Equity (Deficit)		\$419,868

SCHEDULES TO THE BALANCE SHEET
(General Business Case)

Schedule A

Accounts Receivable and (Net) Payable

Receivables and Payables Agings	Accounts Receivable [Pre and Post Petition]	Accounts Payable [Post Petition]	Past Due Post Petition Debt
0 -30 Days	\$221,040	\$248,933	
31-60 Days			
61-90 Days			\$248,933
91+ Days			
Total accounts receivable/payable	\$221,040	\$248,933	
Allowance for doubtful accounts	\$0		
Accounts receivable (net)	\$221,040		

Schedule B

Inventory/Cost of Goods Sold

Types and Amount of Inventory(ies)	Inventory(ies) Balance at End of Month	Cost of Goods Sold
		Inventory Beginning of Month
		0
		Add -
Retail/Restaurants -		Net purchase
Product for resale		\$0
		Direct labor
		\$0
		Manufacturing overhead
		\$0
Distribution -		Freight in
Products for resale	\$0	\$0
		Other:
		\$0
		Freight, cdn, customer service, cdn
Manufacturer -		
Raw Materials	\$0	
Work-in-progress	\$0	Less -
Finished goods	\$0	Inventory End of Month
		\$0
		Shrinkage
Other - Explain		\$0
		Personal Use
		Cost of Goods Sold
		\$0
TOTAL	\$0	

Method of Inventory Control

Do you have a functioning perpetual inventory system?

Yes ☐ No ☒ xxx

How often do you take a complete physical inventory?

Weekly ☐
Monthly ☐
Quarterly ☐
Semi-annually ☐
Annually ☐

Date of last physical inventory was

Date of next physical inventory is

Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost ☐ 15000
LIFO cost ☐
Lower of cost or market ☐
Retail method ☐
Other ☐
Explain ☐

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
Federal					
Income Tax Withholding	\$0	\$0	\$0	\$0	\$0
FICA - Employee	\$0	\$0	\$0	\$0	\$0
FICA - Employer	\$0	\$0	\$0	\$0	\$0
Unemployment (FUTA)	\$0	\$0	\$0	\$0	\$0
Income	\$0	\$0	\$0	\$0	\$0
Other (Attach List)	\$0	\$0	\$0	\$0	\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					
Income Tax Withholding	\$0	\$0	\$0	\$0	\$0
Unemployment (UT)	\$0	\$0	\$0	\$0	\$0
Disability Insurance (DI)	\$0	\$0	\$0	\$0	\$0
Empl. Training Tax (ETT)	\$0	\$0	\$0	\$0	\$0
Sales	\$0	\$0	\$0	\$0	\$0
Excise	\$0	\$0	\$0	\$0	\$0
Real property	\$0	\$0	\$0	\$0	\$0
Personal property	\$0	\$0	\$0	\$0	\$0
Income	\$0	\$0	\$0	\$0	\$0
Other (Attach List)	\$0	\$0	\$0	\$0	\$0
Total State & Local Taxes	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

Schedule F
Pre-Petition Liabilities

<u>List Total Claims For Each Classification -</u>	<u>Claimed Amount</u>	<u>Allowed Amount (b)</u>
Secured claims (a)	\$0	\$0
Priority claims other than taxes	\$0	\$0
Priority tax claims	\$0	\$0
General unsecured claims	\$5,206,550	\$5,206,550

- (a) List total amount of claims even it under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank	Chase - All	Paypal	BlueSnap	Comerica
Account Type	checking/Saving	Deposit	Deposit	Checking
Account No.	Various			Various
Account Purpose	General	Payments	Payments	General
Balance, End of Month	\$166,116	\$1,653	\$29,076	\$1,983
Total Funds on Hand for all Accounts	\$198,828	\$0		

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 09/30/22

Actual
Current Month

Cash Receipts

1	Rent/Leases Collected	\$0
2	Cash Received from Sales	\$151,217
3	Interest Received	\$0
4	Borrowings	\$0
5	Funds from Shareholders, Partners, or Other Insiders	\$0
6	Capital Contributions	\$0
7		
8		
9		
10		
11		
12	Total Cash Receipts	\$151,217

Cash Disbursements

13	Payments for Inventory	\$0
14	Selling	\$10,255
15	Administrative	\$0
16	Capital Expenditures	\$0
17	Principal Payments on Debt	\$0
18	Interest Paid	\$0
	Rent/Lease:	
19	Personal Property	\$0
20	Real Property	
	Amount Paid to Owner(s)/Officer(s)	
21	Salaries	\$35,596
22	Draws	\$0
23	Commissions/Royalties	\$0
24	Expense Reimbursements	\$0
25	Other	\$0
26	Salaries/Commissions (less employee withholding)	\$4,013
27	Management Fees	\$0
	Taxes:	
28	Employee Withholding	\$0
29	Employer Payroll Taxes	\$0
30	Real Property Taxes	\$0
31	Other Taxes	\$0
32	Other Cash Outflows:	\$0
33	Vendors related to product delivery and performance	\$65,089
34	Legal fees	\$0
35	Research and development costs	\$9,000
36	Tax return preparation fees	\$0
37	Trustee fees Other expenses	\$0
38	Total Cash Disbursements:	\$123,953
39	Net Increase (Decrease) in Cash	\$27,264
40	Cash Balance, Beginning of Period	\$171,564
41	Cash Balance, End of Period	\$198,828

STATEMENT OF CASH FLOWS
(Optional) Increase/(Decrease) in Cash and Cash Equivalents
For the Month Ended 09/30/22

	Actual Current Month	Cumulative (Case to Date)
Cash Flows From Operating Activities		
1 Cash Received from Sales	\$151,217	\$7,178,395
2 Rent/Leases Collected	\$0	\$0
3 Interest Received	\$0	\$80
4 Cash Paid to Suppliers	\$74,089	\$3,764,331
5 Cash Paid for Selling Expenses	\$10,255	\$632,890
6 Cash Paid for Administrative Expenses	\$0	\$94,998
Cash Paid for Rents/Leases:		\$0
7 Personal Property	\$0	\$115,807
8 Real Property	\$0	\$0
9 Cash Paid for Interest	\$0	\$0
10 Cash Paid for Net Payroll and Benefits	\$4,013	\$205,758
Cash Paid to Owner(s)/Officer(s)	\$0	\$0
11 Salaries	\$35,596	\$1,708,845
12 Draws	\$0	\$0
13 Commissions/Royalties	\$0	\$0
14 Expense Reimbursements	\$0	\$0
15 Other	\$0	\$0
Cash Paid for Taxes Paid/Deposited to Tax Acct.		\$0
16 Employer Payroll Tax	\$0	\$0
17 Employee Withholdings	\$0	\$0
18 Real Property Taxes	\$0	\$0
19 Other Taxes	\$0	\$0
20 Cash Paid for General Expenses		\$0
21		\$0
22 Tax return preparation fees	\$0	\$109,449
23 Approved Bankruptcy Attorney fees	\$0	\$775,038
24 Inventory purchase	\$0	\$15,000
25		\$0
26		\$0
27 Net Cash Provided (Used) by Operating Activities before Reorganization Items	\$27,264	(\$243,641)
Cash Flows From Reorganization Items		
28 Interest Received on Cash Accumulated Due to Chp 11 Case		\$0
29 Professional Fees Paid for Services in Connection with Chp 11 Case	\$0	\$5,200
30 U.S. Trustee Quarterly Fees	\$0	\$40,146
31	\$0	\$8,053
32 Net Cash Provided (Used) by Reorganization Items	\$0	(\$53,399)
33 Net Cash Provided (Used) for Operating Activities and Reorganization Items	\$27,264	(\$297,040)
Cash Flows From Investing Activities		
34 Capital Expenditures		\$0
35 Proceeds from Sales of Capital Goods due to Chp 11 Case		\$0
36		\$0
37 Net Cash Provided (Used) by Investing Activities	\$0	\$0
Cash Flows From Financing Activities		
38 Net Borrowings (Except Insiders)		\$0
39 Net Borrowings from Shareholders, Partners, or Other Insiders		\$0
40 Capital Contributions		\$0
41 Principal Payments		\$0
42		\$0
43 Net Cash Provided (Used) by Financing Activities	\$0	\$0
44 Net Increase (Decrease) in Cash and Cash Equivalents	\$27,264	(\$297,040)
45 Cash and Cash Equivalents at Beginning of Month	171,564	\$495,868
46 Cash and Cash Equivalents at End of Month	\$198,828	\$198,828